(vii) The declining interest regime has not percolated to the North Eastern Region and the interest rates continue to be 14-15% with 100% collateral requirements. Banking institutions continue to perceive the North Eastern region as high risk area, emphasizing the need for term loan interest subsidy.

(viii) Infrastructure constraints, particularly availability/reliability of power, size of market, entrepreneurial capacity and lack of credit facilities coupled with concern for security have been the major deterrents for investment.

(ix) NEIP had a favourable impact on the tea sector.

(x) The investment flow has largely been dictated by considerations of excise duty benefits. Sectors such as handlooms, handicrafts and agro-industries, which are outside the excise duty ambit, have not been able to attract adequate investments. Significantly, these are also sectors with high employment potential.

(xi) The overall cost-benefit analysis clearly establishes that though the NEIP has had a positive impact, it has not been upto the desired extent.

(xii) Special packages announced for the States of Jammu & Kashmir, Uttarakhand and Himachal Pradesh subsequent to NEIP, 1997 have adversely impacted the flow of investments to the North Eastern Region.

Major recommendations of the TECS:

Based on the study and interaction with the various stake-holders, the TECS had recommended the following:

(i) Extension of the NEIP beyond 2007.

(ii) Extension of incentives under the Policy to the new units as well as to the existing units irrespective of their location.

(iii) Extension of incentives to service sectors such as IT and IT enabled services tourism, healthcare and construction activities.

(iv) Provision of quality infrastructure.

(v) Exemption from Minimum Alternative Tax (MAT).

(vi) Extension of the Transport Subsidy Scheme by ten years, with intra-State movement of goods also becoming eligible for transport subsidy.

(vii) Introduction of an enhanced and graded capital investment subsidy.

(viii) Enhancement in present level of interest Subsidy and its extension to term loans.

(ix) Rationalization of the definition of "substantial expansion".

(x) Exemption from service tax to service sector industries.

Sale of unauthorised cylinders

3881. MS. MABEL REBELLO: Will the Minister of COMMERCE AND INDUSTRYbe pleased to state:

(a) whether Government is aware that large scale unauthorized cylinders, regulators and

valves being sold in the market, are not in conformity with any standards and do not meet the requirement under Rule 3,4,6 and 7 of Gas Cylinder Rule of 2004;

how does the Ministry propose to stop these unauthorized and illegal activities; and

who has given permission to manufacture these I kg and 2 kg gas cylinders, which are used for lighting purposes especially in the State of Jharkhand?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRIASHWANI KUMAR): (a) Gas Cylinders conforming to Indian Standards prescribed by the Bureau of Indian Standards are manufactured by units holding BIS Marks Scheme Licence and as per the drawings approved by the Chief Controller of Explosives under the Gas Cylinders Rules 2004 framed under the Explosives Act 1884. The quality of cylinders, regulators and valves bearing ISI mark are regularly monitored. Such cylinders are filled in LPG bottling plants licensed under the Gas Cylinders Rules 2004. However, recently some cases of illegal transfer of LPG from filled LPG cylinders to empty cylinders of 1 kg or 2 kg have come to the notice of the Petroleum and Explosives Safety Organisation through the State Police.

(b) The Petroleum and Explosives Safety Organisation (PESO), a Subordinate Office of Department of Industrial Policy & Promotion (Ministry of Commerce & Industry), is the nodal agency to look after the safety requirements of the Explosives and Petroleum Sectors. The PESO administers the Gas Cylinders Rules 2004 under Explosives Act, 1884.

In case of notice of any unauthorized and illegal activities the matter is always referred to the District Authority for action as provided under Rule 63 of the Gas Cylinders Rules 2004. Powers of inspection, search, seizure, detention and removal are provided under Rule 71 of the Gas Cylinders Rules 2004. Besides, Section 13 of the Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000 exclusively dealing with such illegal activities, restricts storage and transport of LPG involving illegal filling or transfer of LPG from one cylinder to another.

(c) No manufacturer has been granted permission to manufacture 1 kg and 2 kg gas cylinders in the State of Jharkhand.

Decline in Seafood Export

3882. DR. M.A.M. RAMASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

whether the Indian seafood exports is declining;

if so, the total export of Indian seafood during the last three years, country-wise, year-wise;

whether the representatives of Indian seafood exporters have urged the Union Government to provide relief measures to enable them to face the stiff competition from other Asian countries;

if so, the details thereof; and

the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF